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HIGH-LEVEL MEETING

Report of the High-level Advisory Board on Sustainable Development on its fourth session

(New York, 30 May-1 June 1995)

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EXECUTIVE SUMMARY

1. The fourth session of the High-level Advisory Board on Sustainable Development was held at United Nations Headquarters in New York from 30 May to 1 June 1995. It examined three topics: mobilizing finance for sustainable development; enhancing cooperation and coordination in the United Nations system; and building alliances between the United Nations and non-governmental partners.

2. The Board met with the Secretary-General on 1 June 1995. On the same day, it met with the Chairman and Bureau of the Commission on Sustainable Development.

3. At its fourth session, the Board followed a different method of working. First, the papers prepared for it were designed to highlight particular issues and problems concerning the three above-mentioned topics. Second, groups of representatives of United Nations bodies, Bretton Woods institutions and the private sector made presentations and joined in the debate. The result was a series of well-informed and dynamic discussions.

4. The Board was deeply concerned by the decline in donor government support for both bilateral and multilateral official development assistance (ODA). However, it recognized that the situation will not be reversed by rhetoric or appeal from the United Nations or any other forum but only by enlightened political leadership supported by public opinion in donor States. This will in turn depend on a demonstration that bilateral and multilateral ODA is part of a win-win policy that delivers value for money to both donor and recipient, both in financial terms and by enhancing peace and world security.

5. A new strategy for ODA is essential. It should apply clear, internationally accepted criteria, including criteria for economic, environmental and social sustainability, and should emphasize the rationality of sustainability rather than impose conditionality.

6. Leverage is a key to value for money. ODA should be deployed to create favourable conditions for private-sector funding or to make private-sector investment more attractive to investors.

7. Even with a radical improvement in the attractiveness of ODA and a continued enhancement of private-sector investment flows, areas of substantial financial need will remain, especially in Africa and other regions currently unattractive to foreign private investment.

8. Governments in such regions can do much to remedy intrinsic factors that contribute to that unattractiveness but they will need more help to enable them to meet the financial requirements of sustainable development, for which genuine new and innovative sources will be required, including sources in the developed world. Mechanisms need to be developed for attracting foreign private investment and donor government support without incurring unpopularity, perhaps by recipient countries laying out clear policy frameworks.

9. These sources could be (a) charges levied on the use of the global commons, such as a charge on air travel related to distance travelled and aircraft emissions, or a levy on marine transport; (b) marginal taxes on major transactions, such as financial transfers, as in the so-called Tobin tax; or (c) concessions, such as making private-sector investment in the poorest developing countries subject to tax allowance in the developed countries where the companies concerned are based, or treating the imported products of such investment as if they were domestic and hence not subject to fiscal barriers.

10. The redistribution of finance from military expenditures to sustainable development, the so-called peace dividend offers further scope, although cuts in armament budgets have not so far been redeployed in this way. The transition to cleaner and more efficient industry should also lead to a more efficient use of funds. Finally, removing perverse subsidies can release substantial finance for sustainable development.

11. The overwhelming proportion of funds for sustainable development will be raised nationally. All countries therefore need to consider how their fiscal systems and budgeting priorities could be adjusted to promote sustainable development; in particular, they should review subsidies and economic instruments.

12. The relief of the debt burden on the poorest countries remains an imperative. Debt burden can be made more manageable by adjustment within international financial institutions. The aggravation of debt by fluctuations in the relative strength of currencies needs to be reviewed as part of a United Nations work programme.

13. A three-pronged attack is now needed: (a) to review ODA strategy in donor countries; (b) to examine national policies in developing countries; and (c) to explore new and innovative funding. Debt remission and the use of the Global Environment Facility (GEF) are both important but are secondary by comparison.

14. The World Bank and other Bretton Woods institutions are changing their approach and are entering into partnerships with components of the United Nations system and non-governmental organizations, especially at the national level and in particular subject areas.

15. Changes are needed, however, in the governance of the Bretton Woods institutions to provide United Nations Member States with greater influence on their policy agenda and greater equality among States. The impact on these institutions of the growing strength of the private sector as a source of investment in developing countries also needs appraisal. The conferences of parties to the international conventions on biological diversity, climate change and combating desertification should redefine their relationships with the Bretton Woods institutions and GEF.

16. The cooperative relationship among United Nations bodies and between the United Nations and the major groups in the non-governmental world should be strengthened. There is near-universal support for such partnerships and many guiding principles have been defined and model arrangements entered into.

17. United Nations agencies and the secretariats of the above-mentioned conventions should review their machinery for cooperation with the non-governmental world, while major groups should develop their arrangements for dialogue and partnership with the United Nations system.

18. The current members of the Board completed their term of office on 30 June 1995. They welcome the Secretary-General's intention to continue the Board as a think tank, an independent advisory body and a group of influential people able to serve as ambassadors for the United Nations in the field of sustainable development.

19. The Board suggests to its successors that in 1995 the Board focus on sustainable energy and transport systems, and the impact of the global multimedia communications revolution on sustainable development.

I. MOBILIZING FINANCE FOR SUSTAINABLE DEVELOPMENT

A. Introduction

20. The discussion of development finance has traditionally focused on three main areas: access to international financial flows, the mobilization of domestic resources and the development of innovative mechanisms.

21. The Commission on Sustainable Development has taken a similar approach, with the added responsibility of monitoring progress in achieving the United Nations target of 0.7 per cent ODA in terms of gross national product (GNP).

22. In order to be constructive and yield results, the debate on finance needs to take a balanced approach. In other words, the discussion needs to acknowledge the importance of access to international finance, including ODA, as well as the necessity to make further progress on the external debt problem. Furthermore, there is a need to provide assistance in institution-building for the mobilization of domestic financial resources. Finally, the potential of innovative mechanisms for transferring finance to the countries in greatest need should be explored.

B. Official international development assistance

23. The Board noted with concern the recent and continuing decline in official development assistance (ODA), which runs counter to the obligations accepted by Governments at the United Nations Conference on Environment and Development (UNCED). It considered cuts in this area to be short-sighted, and likely to work against the long-term interests of the donor countries.

24. Private-sector finance flows, which are increasing, cannot compensate for the decline in ODA because they are concentrated in a few countries, especially in Asia, and are governed by perceptions of investment return rather than need. Africa attracts only a small percentage of this investment and the economic situation in most African countries continues to deteriorate.

25. There are several possible reasons for the decline in ODA, including:

(a) Poor public relations on the part of aid agencies, the World Bank and others, who have failed to convey the positive achievements of ODA, such as increasing food production, health care, education and literacy;

(b) Failure to counter inaccurate or hostile press accounts, that focus on the relatively small numbers of unsuccessful projects or attacks made by certain non-governmental organizations;

(c) National political and financial pressures, leading to the reallocation of resources to areas judged to have higher political importance;

(d) Failure to emphasize that ODA is largely devoted to win-win activities and that it can be deployed to secure a great deal of additional private-sector and other finance.

26. The public in donor countries must be convinced that restoring ODA for sustainable development is a good investment and will bestow benefits on the donors as well as the recipients. They need to understand that such support will avoid political instability, which leads to civil strife and human suffering that will demand far more expenditure in humanitarian aid and will adversely affect economic growth. Self-interest demands the maintenance of at least present levels of ODA. Only when this is understood will there be any prospect of reversing the current downward trend.

27. A new strategy for ODA that demonstrates the importance of sustainable development and shows how to generate better value for money is an urgent priority. Bilateral donors should concentrate on the poorer countries. A number of countries experiencing rapid economic growth, notably in Asia, should increasingly be able to fund their needs in the market and hence release ODA for countries in greater need. Newly industrialized countries also have an increasing role as supporters of sustainable development, through their own cooperation with countries at an earlier stage of development.

C. Official development assistance and sustainable development

28. The new strategy for ODA must also counter criticisms of the content of officially aided development projects, which argue that a number of such projects have been assessed on criteria that do not take sufficient account of environmental and social values. The strategy must include the development of criteria for project evaluation that combine economic, environmental, social and infrastructural components.

29. There is a strong case for developing indicators of sustainable development that can be applied nationally to guide the formulation of project proposals, to evaluate such proposals and to monitor their implementation. The relevance of particular criteria will depend on the environmental, social and economic circumstances and should be seen as tools of particular usefulness for the developing countries that should be applied according to each country's priorities for sustainable development.

30. The demand for better project proposals, based on clear evidence that they will lead to sustainable development, should not imply new conditionality. The aim must be for countries seeking development assistance to apply criteria, guidelines and the best available knowledge so as to make strong cases for their proposals. The aim should be rationality, not conditionality.

31. Despite current pressures, many good projects do secure support. Moreover, improved project design could feed back through the process and itself help to generate additional resources.

32. Twenty-year loans at zero interest can be a highly effective means of funding sustainable development through projects that are well designed and generate payback, as is the case, for example, for water-supply projects. Loan projects should pay for themselves and should show overall profitability and sustainability.

33. Another issue that the new strategy for ODA should address is the mechanism through which the aid discussion should be carried forward. Specifically, should other forums complement the work of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD) and add value to the overall process? Should the Commission on Sustainable Development provide a forum for discussing how to improve the effectiveness of the use of ODA and how to use it to secure additional domestic and external financial resources through innovative schemes? Should the Commission address the delicate issue of how to target highly concessionary ODA to the poorest countries? Should it face frankly the need for good governance and appropriate policies in recipient countries?

D. Private-sector funding

34. The growth in private-sector finance flows to developing countries is welcome because it strengthens their economies. In certain circumstances, private-sector finance can be a more efficient stimulus to development than government grants and loans. However, the quality of such investment and development is crucially important: it goes without saying that it should meet the criteria of sustainability.

35. The use of ODA to influence the flow of private investment to developing countries should be encouraged. Partnerships between private and public sectors need to be stimulated. Modest amounts of official aid can draw in up to 10 times that amount in private-sector investment. Governments can make their countries attractive to private-sector finance and can generally count on the support of civil society if they:

(a) Demonstrate political stability and accountability;

(b) Provide a good economic climate, with moderate inflation and a strong currency;

(c) Facilitate the sustainable development of high-quality natural resources;

(d) Have a trained work force available;

(e) Provide an enabling environment in which to do business, which means consistent policies but does not imply weak environmental standards;

(f) Ensure that there is adequate infrastructure, such as roads, which should meet appropriately high environmental standards;

(g) Act as partners but not necessarily as shareholders, and encourage those who invest in their countries.

36. Agreed codes of conduct for industries setting up in developing countries can be useful in providing a clear and consistent framework, giving confidence to all parties.

37. Countries in which multinational industries are based should facilitate their investment in developing countries (for example, through risk guarantees), provided that high environmental standards are maintained. Developed countries should remove subsidies and tariff barriers that make the products of such investments uncompetitive in their domestic markets.

38. Innovation in industry can also advance sustainable development and enhance efficiency in the use of resources by promoting clean, non-waste processes. Near-zero waste generation is a practicable goal in many sectors and pollution prevention can pay handsomely; in China, for example, half the changes introduced to produce cleaner products paid back their investment within six months.

39. The trend to cleaner industry is a win-win process and should release funds because it obviates the need for costly end-of-pipe technology and reduces environmental damage.

40. Partnerships between industry, government, non-governmental organizations and other non-State actors can also prove mutually beneficial, as a result of information exchange, enhanced knowledge and more effective and economical action.

41. Privatization by itself does not necessarily generate more sustainable development or cleaner industry but it can do so. Where an industry is privatized, the influx of funding should also be deployed to make the industry cleaner and more efficient.

E. Dealing with debt, especially in the most disadvantaged countries

42. The multilateral debt burden on the poorest, most indebted countries needs to be made more manageable without undermining the financial integrity and recycling function of international financial institutions (IFIs). This will require increased net transfers from IFIs through concessional windows, such as the Enhanced Structural Adjustment Facility (ESAF) of the International Monetary Fund (IMF) and the International Development Association (IDA).

43. Special measures, such as an extension of maturities due under ESAF, will be necessary for highly indebted low-income developing countries with large arrears. Furthermore, it will be important that developed countries meet their IDA obligation in a timely fashion and are prepared to make appropriate commitments for the eleventh IDA replenishment, which is scheduled for the end of June 1995.

44. Debt burdens can be aggravated by changes in the relative strengths of currencies, a problem that is impeding the ability of some newly industrializing countries to provide assistance to other developing countries. The United Nations should incorporate in its work programme a study of macroeconomic factors that have influenced current exchange rates and that cause instabilities, and should perhaps provide for an annual review of prospects for the global economy in which such matters would be considered. One aim of such a review should be the establishment of a more symmetrical process of balance-of-payments adjustment for countries at different stages of development.

F. The Global Environment Facility and sustainable development

45. GEF is of special importance because it is the only area of new funding made available to meet the additional needs identified in Agenda 21. It is pitifully small, at US$ 2 billion, in proportion to the $125 billion that is needed. But it can itself be deployed to generate substantial leverage. This must, however, be genuine: linking a GEF project to a World Bank one may not meet this criterion if both would have gone ahead anyway.

46. GEF is not primarily a fund for sustainable development. However, it does address matters that are essential to sustainable development: it is designed to prevent long-term global deterioration that could threaten the whole development process.

47. There is a need to look closely at GEF, especially to seek a means of integrating global and national priorities. Again, the work of GEF could be facilitated by the existence of agreed criteria and indicators of sustainability.

G. New and innovative sources

48. Environmental taxes and other economic instruments have two roles: they can be a highly effective mechanism for securing compliance with environmental standards and they can also be a source of revenue. Clearly these two functions can be antagonistic; over time, the former role should lead to minimal cost and provide minimal return to the exchequer!

49. Removing environmentally harmful subsidies would release considerable resources that could be deployed more positively to further sustainable development. Greater consideration needs to be given to the imposition of user charges for environmental services, such as the use of water, sanitation and

roads. Such an approach, whose impact on the poor could easily be cushioned by differentiated charging, would promote the economical use of resources.

50. More daring innovative schemes, such as a user charge on air transport, which should be based on fuel consumption and emissions rather than mileage, a tax on arms sales, or the proposed tax on foreign-exchange transactions (the so-called Tobin tax) should be explored. Even at a very small level, the latter could provide substantial resources for international aid for sustainable development.

51. The reallocation of expenditure on armaments is often spoken of as a potential source of new funding for sustainable development (the so-called peace dividend). In recent years, there has been a 25-per-cent reduction in military expenditures, but that dividend has not led to the expected investment in sustainable development. Even today, arms spending worldwide totals some $800 billion annually, equivalent to the total income of half the world population. The opportunity for reinvestment of some of this funding in sustainable development should be urgently explored.

II. ENHANCING COOPERATION AND COORDINATION FOR SUSTAINABLE DEVELOPMENT

A. The Bretton Woods institutions and the United Nations

52. There have been numerous criticisms of the policies and approach of the World Bank and other Bretton Woods institutions, and of their separation from the United Nations and apparent pursuit of somewhat different policy priorities, especially in relation to sustainable development.

53. The role and work of the World Bank and other Bretton Woods institutions is clearly changing. It is also clear that there is a need for new partnerships with the United Nations system. The World Bank and the International Monetary Fund are working closely with the Commission on Sustainable Development and are contributing to the Inter-agency Committee on Sustainable Development (IACSD).

54. Experience has shown that cooperation and coordination are working particularly well at the country level and on particular issues (such as water-resource management, on which the World Bank and the United Nations Development Programme (UNDP) are working closely), rather than in forums with an overly generalized agenda. Regional cooperation - as in Europe, where the Bank and other United Nations agencies contributed to the Luzern Action Plan - can also be highly effective. Expert non-governmental bodies are now participating in such cooperative activities.

55. Partnerships need to be based on equality. The separate systems of governance of the Bretton Woods institutions and the United Nations agencies mean that different policies and political agendas are from time to time pursued. The United Nations works on the basis of one State, one vote, while in the Bretton Woods institutions voting varies with the economic strength of shareholders. The report of the Secretary-General entitled "An agenda for development: recommendations" (A/49/665), while not seeking a change in the

formal governance of the Bretton Woods institutions, implies that the latter do accept more of a supporting role, which in turn implies that the United Nations will set more of their policy agenda. The Board considers that where general policy is concerned, the United Nations system of parity between States is correct, but that financial institutions with shareholders may need a different basis for decision-making.

56. The different agencies and institutions need to be focused in their cooperation. IACSD indeed offers a mechanism for defining the groups of institutions that can most usefully work together on particular themes.

57. Common communication technology and policy concepts are now emerging and will help cooperation. Dialogue is broadening. The GEF Council now involves environment and foreign ministries as well as ministries of finance, and is also bringing in non-governmental organizations.

58. There remains a need for cooperation to define goals and criteria for sustainable development that the United Nations agencies and the Bretton Woods institutions can all pursue. The Commission has a central role in this definition process.

59. The growing strength of the private sector as a source of investments in developing countries, as well as of non-governmental agencies working on the ground on development programmes, also creates a need for the World Bank and other Bretton Woods institutions to operate less autonomously and perhaps to adopt more of an enabling and supporting role. The shrinkage of contributions to UNDP for grant-financed technical cooperation and the expansion of funds for the Bank's loan-financed technical cooperation have created a need to review the interactions between the two institutions in the field.

B. International conventions

60. The relationships between the World Bank and the conferences of parties and secretariats of the conventions on climate change, biological diversity and combating desertification are being defined. But there is a need for much clearer guidance from the conferences of parties on what they seek from the Bretton Woods institutions.

61. While GEF can develop stand-alone relations with the above-mentioned conventions, it is generally associated with the World Bank and the two are seeking to ensure the best possible leverage for GEF funding.

62. GEF and the above-mentioned conventions are primarily concerned with global and regional environmental issues within the broader agenda of sustainable development. But their work is important in creating and maintaining a favourable context for sustainable development, and the close links between the Conventions and the Commission should ensure compatible agendas.

C. Cooperation within the United Nations system and with non-United Nations organizations

63. There is a good deal of effective inter-agency cooperation on the ground. For example, UNDP, the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO) and other agencies are working together and with non-governmental expert bodies, such as the International Union for the Conservation of Nature (IUCN) and the International Institute for Sustainable Development (IISD).

64. United Nations agencies and non-governmental organizations cooperate in two ways. Expert and specialist bodies often work with United Nations agencies to produce handbooks, methodologies and reports, and some are partners in field operations. The second kind of cooperation is a more general dialogue that influences the policies of both participants.

65. The association of research institutions in networks like the Consultative Group of Institutes for Agricultural Research (CGIAR) with the United Nations system has undoubtedly been of mutual benefit. Such linkages are common in science and could be developed among institutions working on biological diversity or combating desertification. It is, however, important that the programmes of these expert bodies meet the needs of the users of their research, especially in developing countries. While donors have the right to allocate their funds as they think best, they should ensure that the voice of users is heard and is a major influence on allocations.

66. The success of CGIAR has depended substantially on the role of the World Bank as a major donor. In the event that that model is developed for research centres, GEF machinery may need to take on a comparable supportive role.

III. ALLIANCES BETWEEN THE UNITED NATIONS SYSTEM AND NON-GOVERNMENTAL PARTNERS

67. An immensely broad group of organizations, in many major groups, were identified in Agenda 21 as essential partners in the achievement of sustainable development. They include associations and individual components of local government, business, industry and commerce, farming, labour, women's and youth organizations, indigenous people's groups, the scientific community, and environmental and humanitarian non-governmental organizations.

68. The replies to the questionnaire sent out by the Board indicate that there is strong support for partnerships between the United Nations system and bodies active in many of the above fields. There is more debate over the most effective way of building such partnerships. There is, however, widespread demand for:

(a) Greater support by United Nations bodies for on-the-ground action by non-governmental organizations of all kinds to promote sustainable development;

(b) Establishment by the United Nations system of consultative forums or other machinery for contact with the non-governmental sector;

(c) More direct involvement of the United Nations system through one or more of its specialized bodies in conferences or task forces sponsored by Governments and major non-governmental organizations;

(d) Development by the United Nations system of machinery for training individuals from national Governments and the non-governmental organization community so that they can contribute to the implementation of Agenda 21;

(e) Opening of intergovernmental meetings in the United Nations system to full participation by non-governmental organization representatives;

(f) Direct participation by representatives of permanent United Nations bodies in initiatives undertaken by non-governmental organizations to provide on-the-ground action for protection, conservation, restoration or sustainable development of the environment;

(g) Establishment of national forums or task forces that will enhance the input by national Governments to the work of the Commission on Sustainable Development;

(h) Direct participation of relevant United Nations bodies in agreements between international private associations in order to give them support and orientation in their contribution to sustainable development.

69. Considerable progress has been made in building alliances between the United Nations system and major groups. It has proved to be easiest to create partnerships where the non-governmental organization system itself establishes networks and accredits representatives. Support for such systems, especially for information exchange at the national and regional levels, may be needed. Finances could be obtained within the non-governmental organization system itself, as well as from Governments.

70. More needs to be done to establish a structure within the various non-governmental organization groups, not all of which are willing to accept the idea of representation in dialogue with the United Nations and other bodies. Such coordination should not suppress the individuality and diversity that is a strength of the non-governmental organization movement but should enhance its ability to deliver a clear message to intergovernmental gatherings in which it is supportive, rather than allowing a free-for-all for hundreds of different bodies.

71. Active field cooperation between major expert non-governmental organizations and United Nations agencies is expanding. Such field-level cooperation requires a more direct approach than the development of networks and mechanisms to involve non-governmental organizations in United Nations meetings. Many expert non-governmental organizations have established data systems and field operations, and have partnerships of their own with groups on the ground, especially in developing countries. Relations with such bodies can be built directly and bilaterally, without using the major group representational methods.

72. The following steps should now be taken:

(a) United Nations agencies, relevant convention secretariats and other members of the United Nations system concerned with sustainable development should review their machinery for consultation with key non-governmental organizations in their sectors, and should create appropriate forums (preferably with co-chairs and joint secretariats);

(b) The non-governmental organization community should for its part continue to establish major groups and other mechanisms to coordinate its side of the dialogue;

(c) United Nations agencies and programmes, and especially UNDP in dialogue with Governments and its non-governmental organizations, should identify the places and circumstances where support for non-governmental organizations (including training) is likely to be most cost-effective for implementing sustainable development projects;

(d) United Nations agencies and programmes should examine the extent to which data, information, technology and operational knowledge are held by non-governmental organization operators in their respective areas and should establish links for the sharing of such knowledge and technology with funding, where appropriate;

(e) United Nations agencies and programmes should agree with the major groups in the non-governmental sector in their various fields how these groups can contribute best to intergovernmental meetings held under their auspices.

IV. ROLE AND FUTURE PROGRAMME OF THE BOARD

A. Perspectives of the Bureau of the Commission on Sustainable Development and the Secretary-General

73. Discussions with the Bureau of the Commission on Sustainable Development confirmed the opportunities for cooperation between the Commission and the Board. The Board can analyse issues and forward its judgements and proposals to the Commission via the Secretary-General. The Board's influence on the development of the Commission's conclusions is likely to be greatest if it can inject its ideas during the inter-sessional period, before Governments have adopted firm positions.

74. At his meeting with the Board, the Secretary-General reaffirmed the importance of the Board to him in three capacities:

(a) As an independent, expert think tank of individuals, with long experience of many different regions and sectors pertinent to sustainable development, as well as the ability to analyse issues and point to critical factors needing to be addressed;

(b) As an advisory body, with the ability to put its proposals directly to the Secretary-General;

(c) As a group able to convey the thinking of the Secretary-General and the position of the United Nations to the constituencies from which the members of the Board are drawn with the aim of mobilizing their support.

75. The Secretary-General emphasized the serious problems confronting the United Nations. It is practically bankrupt, with $2 billion of outstanding payments due from members. Peace-keeping costs have escalated from $400 million to $3.6 billion, and these costs are being met largely by the Governments that are contributing troops. Member States are so preoccupied with short-term issues, such as conflicts, that they are not giving attention to longer-term concepts, such as the need for sustainable development as the foundation for long-term security. The major United Nations conferences, such as UNCED, the International Conference on Population and Development, the World Summit for Social Development and the Fourth World Conference on Women, are mechanisms for bringing heads of State together and focusing attention on these basic issues. Similarly, the special session of the General Assembly in 1997 will emphasize the long-term perspective.

76. The Secretary-General emphasized the need to build better links with grass-roots organizations in member countries. Hence the involvement of major groups, including parliamentarians, civic representatives, scientists and business people. He recognizes the immense power of the business community and hopes that the Board members drawn from these groups will work actively with them and promote partnerships for sustainable development.

77. The Secretary-General agrees that exchange-rate stability is important, and that the damages that fluctuations cause to the ability of newly industrialized countries to help others should be drawn to the attention of the Group of Seven leading industrialized nations.

78. It was agreed that the Board can play a role in monitoring how far the principles and priorities endorsed at major conferences are being translated into action. Board members should seek a close relationship with the business community, as a global entity linked by new and powerful communication networks. Members with links to the non-governmental community should endeavour to enlist that community as allies for the United Nations, actively promoting its work; true partnership between United Nations and non-United Nations bodies is needed to spread influence and action both ways.

79. The real challenge is to alter basic paradigms and build new commitment in the world community. This will feed back to and alter the approach of Governments. New linkages between institutions can help facilitate that process. Success stories, of which there are many, need to be published, but this requires the enlistment of the media. The outreach of the United Nations publication programme is very limited.

80. The Secretary-General encouraged the Board to consider widening the debate on the issues he has identified, perhaps by convening a forum at one or more United Nations centres. He urged the Board also to assist him in identifying key groups in the developing world who can be effective partners for the United Nations. Finally, it was agreed that new and innovative finance mechanisms must

be pursued. If only 10 per cent of the United Nations budget can be met from some global tax, this could result in an immense gain in effectiveness.

B. Topics for future examination

81. The current mandate of the Board, as well as the terms of office of its members, expire in July 1995. The present Board, therefore, can do no more than suggest items for the consideration of its successors.

82. Numerous topics have been suggested, including:

(a) The achievement of peace and security through sustainable development (backed by the peace dividend);

(b) Essential changes in consumption patterns and lifestyles;

(c) New and sustainable approaches in the transport and energy sectors;

(d) Integrated resource management, especially to ensure food security;

(e) The relationship between trade, environment and sustainable development;

(f) The mobilization of resources for sustainable development;

(g) The participation of women in sustainable development;

(h) The impact of the communications and information technology revolution on global decision-making;

(i) The role of the media in promoting sustainable development;

(j) The optimal balance between free-market systems and regulatory machinery in the quest for sustainable development.

Topics (d) and (f) have already been considered, while (g) was the subject of the recent Fourth World Conference on Women.

83. Discussions with the Secretary-General suggested some more general thematic issues, which to a considerable degree cut across the sectoral topics to form a matrix with them. They are:

(a) The analysis of how to change the basic social paradigm and thought processes in the direction of sustainable development;

(b) The preparation of an action plan to mobilize major non-governmental groups as allies with the United Nations in implementing an agenda for development;

(c) The promotion of the role of the business community as a leader in sustainable development;

(d) Analysis of how to maintain the impetus and implement the conclusions of major United Nations conferences.

84. The Board noted the Secretary-General's wish that it act as a think tank and provide advice. It should not attempt to compile comprehensive reviews and analyses of major issues that are being scrutinized by expert bodies within and outside the United Nations system. Instead, it should seek to be guided by such analyses and conference outputs and should consider the major issues that are being identified in the context of sustainable development. The output should be succinct analyses and proposals for action. The Board should build on its status and independence and look at issues that Governments will not willingly address.

85. The experience of current meetings with staff of the United Nations and the Bretton Woods institutions and from industry has been rewarding and has enhanced the work of the Board. Such dialogues should continue. But the Board should also consider the Secretary-General's suggestion of holding an open forum or hearing at a United Nations location in conjunction with a Board session, and perhaps also a major meeting; such an event could be staged in 1996 or 1997.

86. While recognizing the need to promote sustainable lifestyles and consumption patterns, the Board agreed to propose to its successor the consideration of two more narrowly focused agenda items:

(a) The development of sustainable energy and transport systems;

(b) The impact of the global multi-media communications revolution on sustainable development.

These topics can be considered in November 1995, since (a), in particular, would be highly relevant to the consideration by the Commission on Sustainable Development of atmosphere as one of the sectors to be reviewed for its next session. It raises important policy dilemmas, not least the apparent conflict between economic growth, which has been favoured by low energy prices, and sustainability, which high energy prices might favour by providing a market incentive for conservation.

C. Timetable

87. The new Board will be constituted in July 1995. Those invited to serve will be consulted on meeting dates, but a loose time-frame is for meetings to be held from 7 to 9 November 1995, in June or August 1996, January 1997, and possibly the summer of 1997, before the special session of the General Assembly to be held five years after UNCED.

V. ORGANIZATION OF THE SESSION

88. The fourth session of the High-level Advisory Board on Sustainable Development was held at United Nations Headquarters from 30 May to 1 June 1995. Twelve members of the Board attended: Birgitta Dahl, Martin Holdgate,

Saburo Kawai, Valentin Koptyug, Bola Kuforiji-Olubi, Laura Novoa, R. S. Pathak, Emil Salim, Edouard Saouma, Klaus Schwab, Adele Simmons and Mostafa Tolba. Nine members were unable to attend: Bernard T. Chidzero, Jacques Cousteau, Tommy Koh, Celso Lafer, Rita Levi Montalcini, Maria de los Angeles Moreno, Qu Geping, Stephan Schmidheiny and Maurice Strong.

89. The officers elected at the first session for the term ending on 30 June 1995 were Bernard Chidzero (Co-Chairperson), Birgitta Dahl (Co-Chairperson) and Martin Holdgate (Rapporteur).

90. The session was opened by the Under-Secretary-General for Policy Coordination and Sustainable Development of the United Nations Secretariat. The Director of the Department's Division for Sustainable Development provided a briefing to the Board on the third session of the Commission for Sustainable Development. The Administrator of the UNDP addressed the Board on the work of his organization. The Chairperson and the Bureau of the Commission on Sustainable Development held an exchange of views with members of the Board on 1 June 1995. The Secretary-General addressed the Board and held a dialogue with them on 1 June 1995.

91. Substantive services for the session were provided by the Department for Policy Coordination and Sustainable Development. These included the preparation of a number of briefing notes on the various items of the agenda. The Department also arranged for dialogues between Board members and external resource persons from various bodies, including UNDP, the World Bank, the Group of Twenty-four Deputies, GEF, UNEP, the Rockefeller Foundation and the DuPont Corporation.

Annex I

AGENDA

1. Opening of the session.

2. Adoption of the agenda.

3. Report of the third session of the Board.

4. Matters arising, not covered under other items.

5. Mobilizing finance for sustainable development.

6. Enhancing cooperation and coordination for sustainable development.

7. Alliances with non-governmental partners.

8. Future work of the Board.

9. Organization of the work of the Board.

10. Adoption of the report of the Board on its fourth session.

Annex II

CURRICULA VITAE OF BOARD MEMBERS

Chairman

Bernard CHIDZERO (Zimbabwe). Senior Minister of Finance, Economic Planning and Development. Other posts held in the past include Deputy Secretary-General of UNCTAD; Resident Representative, United Nations Development Programme. Received professional education in Canada and the United Kingdom of Great Britain and Northern Ireland (Economics).

Vice-Chairperson

Birgitta DAHL (Sweden). Speaker, Parliament of Sweden. Member, Executive Committee of the Social Democratic Party. Member, Advisory Council on Foreign Affairs. Past posts include Minister of Environment (1990-1991), Minister of Environment and Energy (1986-1990), Minister of Energy (1982-1986). Received professional education in Sweden (History and Political Science).

Rapporteur

Martin HOLDGATE (United Kingdom of Great Britain and Northern Ireland). President, Zoological Society of London. Past posts include Director General, World Conservation Union (IUCN) (1988-1994); Chief Environment Scientist and Deputy Secretary, Environment Protection, Department of Environment (United Kingdom) (1976-1988); President, Governing Council, UNEP (1983-1984). Received professional education in the United Kingdom (Zoology). Author of A Perspective of Environmental Pollution (1979) and joint editor of two major UNEP volumes on the State of the World Environment, 1972-1982 and 1972-1992.

Members

Jacques Yves COUSTEAU (France). Chairman, Council on the Rights of Future Generations; President, the Cousteau Society. Past posts include Director of the Musée Océanographique. Received professional education in France (Naval Science and Ocean Ecology). Member, Académie Française. Recipient of numerous awards and honorary degrees for work on the environment. Director of three feature films on oceans. Author or co-author of more than 50 books, the most recent of which is Jacques Cousteau/Whales (1988).

Saburo KAWAI (Japan). Chairman and President, International Development Centre of Japan. Member, Organizing Committee, Earth Council. Past posts include President, Sasakawa Peace Foundation; Board Member, Stockholm Environment Institute; Vice-Chairman and President, Keizai Doyukai. Received professional education in Japan and the United States of America (Law and Economics).

Tommy KOH (Singapore). Ambassador-at-Large, Ministry of Foreign Affairs. Past posts include Permanent Representative to the United Nations; Ambassador to the United States of America and Mexico; High Commissioner to Canada; Professor and Dean, Faculty of Law, Singapore University; President, Third United Nations

Conference on the Law of the Sea; Chairman, Preparatory Committee for and Main Committee of the United Nations Conference on Environment and Development. Received professional education in Singapore, the United States (Law) and the United Kingdom of Great Britain and Northern Ireland. Author of several articles on law of the sea, international relations, environment and development, United Nations and negotiations.

Valentin KOPTYUG (Russian Federation). Director, Institute of Organic Chemistry (Novosibirsk). President, Siberian Branch, Russian Academy of Sciences. Past posts include Rector, Novosibirsk State University; Professor (Chair) of Organic Chemistry. Received professional education in the former USSR (Chemistry). Author of numerous scientific papers and monographs in the fields of organic chemistry and general problems of the environment; founded the journal Chemistry for Sustainable Development (1993).

Bola KUFORIJI-OLUBI (Nigeria). Economist and chartered accountant; received professional education in Nigeria and the United Kingdom of Great Britain and Northern Ireland. Chairperson, Business Council for Sustainable Development and BEWAC PLC, Nigeria. Past posts include Chairperson, Ogun Oshun River Basin Development Authority, Nigeria; Chairperson, United Bank for Africa, PLC, an affiliate of Banque National de Paris and Bankers Trust, where she was responsible for the establishment of a credit scheme for women and rural dwellers. Honourable Secretary of Commerce and Tourism, Federal Ministry of Commerce and Tourism.

Carlos LAFER (Brazil). Permanent Representative of Brazil to the United Nations Office at Geneva. Board Member, Metal Leve S/A Industria e Comercio. Past posts include Professor and Department Head, Public International Law and Jurisprudence, University of São Paulo; Minister for Foreign Affairs; Head of Brazilian delegation to the tenth session of the Intergovernmental Committee for Science and Technology. Expert advisor in the area of science and technology. Received professional education in Brazil and the United States (Law and Political Science). Author of many books and articles in the area of international economic law, international relations, jurisprudence and political theory.

Rita LEVI MONTALCINI (Italy). Super-expert, Institute of Neurobiology, National Research Council (CNR). Past posts include Director, Celluler Biology Laboratory (CNR). Professor of Neurobiology, Institute of Biology, Washington University. Received professional education in Italy (neurobiology). Received Nobel prize in Medicine/Physiology and numerous honorary degrees. Author of numerous monographs in the field of neurobiology.

Maria de Los Angeles MORENO (Mexico). Member of Congress. Past posts include Subsecretary of Evaluation, Secretariat of Programming and Budgeting; Subdirector of Planning, Division of Employment, UCECA; Subdirector of Studies on Income Distribution, Secretariat of Labour. Received professional education in Mexico and the Netherlands (Socio-economic Planning). Author of Women in the Mexican Economy (1966).

Laura NOVOA (Chile). President, PARTICIPA. General Counsel and member of Executive Committee, member of the law firm Philippi, Yrarrazaval, Pulido and

Brunner (banking, foreign investment, mining, corporate law); member, Comision Verdad Reconciliation. Received professional education in Chile and the United States of America (Law).

R. S. PATHAK (India). Honorary. Master of the Bench, Gray's Inn, London; Chairman, Indian National Steering Committee in Leadership in Environment and Development Programmes; Distinguished Visiting Professor, Institute of Advanced Studies, Edinburgh. Past posts include Judge, International Court of Justice, (The Hague); Chief Justice of India; Judge, Supreme Court of India; Chief Justice, Himachal Pradesh High Court; President, Indian Society of International Law. Received professional education in India (Law). Author of many research papers on international law, the Law of the Sea and other subjects, including Environmental Change and International Law: New Challenges and Dimension (1993).

QU Geping (China). Chairman, Environmental Protection Committee, National Peoples' Congress. Past posts include Vice-Chairman, Environmental Protection Commission, State Council Administrator, Environmental Protection Agency, People's Republic of China. Head of Mission of China to UNEP. Received professional education (Engineering) in China and the United Kingdom of Great Britain and Northern Ireland. Author of numerous publications on environmental issues, including China's Environment and Development (1993); Studies on Environmental Services in China.

Emil SALIM (Indonesia). Minister of State for Population and the Environment. Past posts include Minister of State for Development Supervision and the Environment; President, Governing Council of UNEP; Professor in Economics, University of Indonesia. Received professional education in Indonesia and the United States of America (Economics). J. Paul Getty award (U.S. World Wild Life Fund). Author of Pemerataan Pendapatan and Perencanaan (1978); Pembangunan Berwawasan (1986).

Edouard SAOUMA (Lebanon). Former Director-General of the Food and Agriculture Organization of the United Nations. Past posts include Minister of Agriculture, Fisheries and Forestries (1970). Received professional education in Lebanon and France (Agronomy). Recipient of numerous awards and honorary degrees for his work in agriculture.

Stephan SCHMIDHEINY (Switzerland). Chairman of the Board, ANOVA Holding Ltd., UNOTEC Holding Ltd., NUEVA Holding Ltd. (a family-owned multinational investment group); Board member, ABB Asea Brown Boveri, SMH Swiss Corporation for Microelectronics and Watchmaking Industries, Union Bank of Switzerland and Nestle. Founder and former Chairman, Business Council on Sustainable Development. Received professional education in Switzerland and Italy (Law). Author of Changing Course: A Global Business Perspective on Development and the Environment (1992).

Klaus SCHWAB (Germany). President of the Foundation Board, World Economic Forum; Professor of Business, University of Geneva. Past posts include General Manager, Escher WYSS, S.A.; Professor, International Management Institute. Received professional education in Switzerland (Engineering and Economics).

Author of five books and numerous articles on global competitiveness and other issues.

Adele SIMMONS (United States of America). President, the John D. and Catherine T. MacArthur Foundation. Member of the President's National Commission on Employment Policy; Member of the Boards of Directors, First Chicago Corporation and the Marsh McLennon Companies. Past posts include member of the President's Commission on Environmental Quality; President, Hampshire College in Amherst, Massachusetts. Received professional education in the United States and the United Kingdom of Great Britain and Northern Ireland (Political Science). Recipient of numerous honorary degrees and author and co-author of numerous articles on Africa, women, education and public policy, including Modern Mauritius (1982) and Exploitation from 9 to 5: the Twentieth Century Fund Task Force Report on Working Women (1971).

Maurice STRONG (Canada). Chairman and Chief Executive Officer, Ontario Hydro. Past posts include Secretary-General, United Nations Conference on Environment and Development; Under-Secretary-General and Executive Coordinator, the United Nations Office for Emergency Operations in Africa; Director, United Nations Environment Programme; President and Chief Executive Officer, Petro-Canada; Chairman, Board of Governors, International Development Research Centre (IDRC), Canada. Received professional education in Canada (Business). Recipient of numerous awards and honorary doctorates.

Mostafa TOLBA (Egypt). Professor, Faculty of Science, Cairo University. President, ECOPAST - Centre for Environment and Cultural Heritage, Washington D.C.; President, International Centre for Environment and Development. Past posts include Under-Secretary-General and Executive Director, United Nations Environment Programme (UNEP); Head, Egyptian delegation to the Stockholm Conference on Human Environment (1972). Received professional education in Egypt and the United Kingdom of Great Britain and Northern Ireland (Botany). Author of numerous papers on plant diseases, anti-fungal substances and the physiology of micro-organisms and on the environment, including Sustainable Development: Constraints and Opportunities (1987).